

City Agencies

The Fiscal Year 2009 Proposed Budget includes summary budget information as developed and reported by five City agencies: the Redevelopment Agency, Southeastern Economic Development Corporation (SEDC), Centre City Development Corporation (CCDC), San Diego Housing Commission (SDHC), and San Diego Data Processing Corporation (SDDPC).

All agency budgets are considered final upon receipt of approval from their respective governing boards. SDDPC's budget has been approved by their governing board while the Redevelopment Agency, SEDC, and CCDC budgets are still pending approval at this time. SDHC's budget numbers are anticipated to be available for publication in the Fiscal Year 2009 Annual Budget.

Table 1 summarizes the Fiscal Year 2009 budgets for these City agencies.

TABLE 1 FISCAL YEAR 2009 PROPOSED BUDGET (IN MILLIONS)		
	Fiscal Year 2009 Budget	Positions
Redevelopment Agency	\$ 67,734,855	28.00
Southeastern Economic Development Corporation	\$ 19,868,000	17.00
Centre City Development Corporation	\$ 235,500,000	56.50
San Diego Data Processing Corporation	\$ 46,151,000	258.00

Redevelopment Agency

Mission Statement

To improve the quality of life and ensure a healthy economy for all San Diegans through job development, business development, neighborhood revitalization, public improvements, redevelopment, social services, and revenue enhancement.

The Redevelopment Agency was created by the City Council in 1958 to alleviate blight in older urban areas. The Redevelopment Agency is able to use special legal and financial mechanisms to eliminate blight and to improve economic and physical conditions in designated areas of the City. This authority is conferred to the Agency through the State of California Health and Safety Code (Section 33000-et.seq.), also known as the California Community Redevelopment Law.

Although the Redevelopment Agency is a separate legal entity, the City Council serves as its legislative body. The Council President chairs the Agency, and the City Attorney serves as general counsel. The Redevelopment Division of the City Planning and Community Investment Department serves as staff to the Agency.

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City staff working on behalf of the Agency coordinate budget and reporting requirements, prepare the Redevelopment Agency Docket, and maintain the Agency's official records. Staff also coordinate the activities of the Agency's two public nonprofit corporations—Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC).

The Redevelopment Agency manages 17 Redevelopment Project Areas and two Survey Areas encompassing more than 11,759 acres. Of the 17 redevelopment areas, 11 are managed by the Redevelopment Division, with the other areas managed by CCDC and SEDC. The project areas managed by the Redevelopment Division are Barrio Logan, City Heights, College Community, College Grove, Crossroads, Grantville, Linda Vista, Naval Training Center (NTC), North Bay, North Park, and San Ysidro.

The Redevelopment Division administers six Project Area Committees that advise the Agency regarding plan adoption and project implementation activities.

The Fiscal Year 2009 Proposed Redevelopment Division Budget is \$67.7 million. The tax increment to be generated in Fiscal Year 2009 in the City Redevelopment areas is estimated at \$42.6 million with an additional \$3.2 million of prior year tax increment. The Division recently secured a \$70.0 million three-year line of credit through San Diego National Bank. It is anticipated that this line of credit will be drawn upon to cover an estimated \$20 million of redevelopment project expenditures during Fiscal Year 2009. The balance of Fiscal Year 2009 revenues is generated through developer fees and through lease and property revenue.

As required by law, 20 percent of all tax increment revenue must be set aside to provide housing for low and moderate income households. For Fiscal Year 2009, new tax increment funds to be allocated for this purpose are expected to reach \$8.5 million. Additionally, a portion of the revenues received by the Agency are subject to sharing with other taxing agencies impacted by the formation of the project areas. For Fiscal Year 2009, new tax-sharing allocations amount to \$9.7 million. Other required expenditures include debt service payments for lines of credit, tax allocation bonds issued for the NTC, City Heights, North Bay and North Park project areas, and developer repayment obligations. These requirements total \$7.2 million of the funds to be received in Fiscal Year 2009.

**TABLE 2.1
REDEVELOPMENT AGENCY PROPOSED BUDGET SUMMARY
CITY REDEVELOPMENT PROJECT AREAS**

	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
Positions	28.00	28.00	-
Personnel Expense	\$ 3,028,799	\$ 3,024,303	\$ (4,496)
Non-Personnel Expense	\$ 83,921,201	\$ 64,710,552	\$ (19,210,649)
TOTAL	\$ 86,950,000	\$ 67,734,855	\$ (19,215,145)

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**TABLE 2.2
REDEVELOPMENT AGENCY EXPENDITURES
CITY REDEVELOPMENT PROJECT AREAS**

	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 2,009,699	\$ 1,997,042	\$ (12,657)
Fringe Benefits	1,019,100	1,027,261	8,161
SUBTOTAL PERSONNEL	\$ 3,028,799	\$ 3,024,303	\$ (4,496)
NON-PERSONNEL			
Supplies & Services	\$ 564,569	\$ 200,238	\$ (364,331)
Information Technologies	56,384	114,138	57,754
Energy/Utilities	11,186	12,695	1,509
Equipment Outlay	758	558	(200)
Capital Projects	25,210,000	36,168,167	10,958,167
Low/Mod Housing	30,796,000	9,813,218	(20,982,782)
Project Area Admin/Legal/Planning	3,960,304	1,511,331	(2,448,973)
Debt Service	13,404,000	7,212,786	(6,191,214)
Taxing Agencies	9,918,000	9,677,421	(240,579)
SUBTOTAL NON-PERSONNEL	\$ 83,921,201	\$ 64,710,552	\$ (19,210,649)
TOTAL	\$ 86,950,000	\$ 67,734,855	\$ (19,215,145)

**TABLE 2.3
REDEVELOPMENT AGENCY REIMBURSEMENTS**

	FY 2008 Budget Reimbursements	FY 2009 Proposed Budget Reimbursements	FY 2008-2009 Change
DEPARTMENTS:			
Redevelopment Division	\$ 3,661,696	\$ 3,351,932	\$ (309,764)
City of San Diego – Tax Sharing Payments	1,059,797	1,115,406	55,609
Zoological Exhibits – Tax Sharing Payments	\$ 24,230	\$ 26,424	\$ 2,194
TOTAL	\$ 4,745,723	\$ 4,493,762	\$ (251,961)

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Southeastern Economic Development Corporation

Mission Statement

To balance public investment and careful planning with a commitment to stimulate development designed to increase services, housing, and employment opportunities which will ultimately improve the quality of life for the residents of Southeastern San Diego.

Southeastern Economic Development Corporation (SEDC) is a public benefit, non-profit corporation responsible for all redevelopment activities within a seven-square-mile area immediately east of downtown San Diego. SEDC has a nine member Board of Directors appointed by the Mayor and the City Council, and a professional staff of 17 employees. Established in 1981 by the City, SEDC is responsible for an area bound by the Martin L. King, Jr. freeway (State Route 94) to the north, Interstate 5 to the south and west, and 69th Street to the east. SEDC's sphere of influence covers 15 neighborhoods, consisting of four redevelopment projects areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest, and the Dells Imperial Study Area.

SEDC's corporate strategy integrates the best of redevelopment and economic development. It is a strategy that has resulted in an increase of the annual tax increment of 29 percent over the past decade, as well as several projects that have met the goals of redevelopment and are of great benefit to the southeastern community.

The Fiscal Year 2009 Proposed Budget for SEDC is \$19.9 million and is comprised of five components: Administration, Capital Projects, Low and Moderate Income Housing, Economic Development, and Long-Term Debt. A loan payment to the City/Agency in the amount of \$1.2 million from the Southcrest Redevelopment Project Area will be borrowed back to augment pre-adoption/implementation costs for the Dells Imperial Study Area as well as the planning activities for Gateway Center West (\$400,000 Fund 10027-Contribution to RDA) and the acquisition of properties in Central Imperial (\$815,000, Fund 30245 Capital Outlay/Sales Tax). The source of the \$1.3 million Southcrest Redevelopment Project Area loan payment is Fiscal Year 2007 tax allocation taxable bond proceeds.

SEDC will present its Proposed Fiscal Year 2009 Program Budget to the Board of Directors on April 16, 2008, and the final recommendation to the City of San Diego Redevelopment Agency on May 20, 2008.

Economic development activities undertaken by SEDC complement the redevelopment activities that have occurred already throughout SEDC's jurisdiction. The economic activities include support to the Diamond Business Improvement District, oversight of the Agency employment and training requirements for developers, technical assistance for small businesses, a commercial rehabilitation program, a water conservation campaign, and various housing-related workshops.

**TABLE 3.1
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
PROPOSED BUDGET SUMMARY**

	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
Positions	14.50	17.00	2.50
Personnel Expense	\$ 1,675,000	\$ 1,750,700	\$ 75,700
Non-Personnel Expense	\$ 30,785,000	\$ 18,117,300	\$ (12,667,700)
TOTAL	\$ 32,460,000	\$ 19,868,000	\$ (12,592,000)

**TABLE 3.2
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION EXPENDITURES**

	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 1,307,000	\$ 1,335,700	\$ 28,700
Fringe Benefits	368,000	415,000	47,000
SUBTOTAL PERSONNEL	\$ 1,675,000	\$ 1,750,700	\$ 75,700
NON-PERSONNEL			
Supplies & Services	\$ 783,200	\$ 843,300	\$ 60,100
Information Technologies	57,000	58,000	1,000
Energy/Utilities	33,600	34,100	500
Other Government & Administrative Expenses	27,900	30,800	2,900
Project Costs	23,253,300	11,807,000	(11,446,300)
Debt Service Appropriation	6,630,000	5,344,100	(1,285,900)
SUBTOTAL NON-PERSONNEL	\$ 30,785,000	\$ 18,117,300	\$ (12,667,700)
TOTAL	\$ 32,460,000	\$ 19,868,000	\$ (12,592,000)

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**TABLE 3.3
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
SIGNIFICANT BUDGET ADJUSTMENTS**

Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	2.50	\$ 75,700
This adjustment is due to the addition of 1.00 Project Manager, 1.00 Assistant Project Manager, 1.00 Research Coordinator, and 1.00 Administrative Secretary, as well as the reduction of 0.50 Communications Coordinator, and 1.00 Messenger Clerk.		
Non-Personnel Changes	-	\$ (12,667,700)
Adjustment reflects the amount of the \$24.2 million 2007 Tax Allocation Net Bond proceeds budgeted in Fiscal Year 2008, that was used to fund projects in that fiscal year and therefore will not carry over into subsequent years.		
TOTAL	2.50	\$ (12,592,000)

**TABLE 3.4
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION REIMBURSEMENTS**

	FY 2008 Budget Reimbursements	FY 2009 Proposed Budget Reimbursements	FY 2008-2009 Change
Departments:			
City Attorney	\$ 52,000	\$ 45,500	\$ (6,500)
City Auditor	100,100	100,000	-
City Planning and Community Investments	83,200	78,000	(5,200)
Arbitrage	19,500	12,000	(7,500)
Redevelopment Agency Audit Fees	75,000	75,000	-
Single Audit Fees	25,000	25,000	-
Sales Tax Consultant	2,500	2,500	-
Financial Management	1,000	1,000	-
General Govt. Services	66,300	66,300	-
City Treasurer	30,000	30,000	-
General Liabilities Insurance	70,000	95,000	25,000
Maintenance (street light/storage)	1,200	1,200	-
Neighborhood Code Compliance	100,000	132,000	32,000
TOTAL	\$ 625,800	\$ 663,600	\$ 37,800

Centre City Development Corporation

Mission Statement

To create a 24-hour livable community in Downtown San Diego, eliminating blight, providing housing, and stimulating the economy by creating jobs through public and private development.

Centre City Development Corporation (CCDC) was created by the City of San Diego as an independent non-profit corporation in 1975 in order to plan, implement, and directly redevelop San Diego's urban core. CCDC oversees redevelopment of approximately 1,450 acres, an area that includes Centre City and Horton Plaza Redevelopment Project Areas.

The Proposed Fiscal Year 2009 budget was presented to the Centre City Advisory Committee on March 19, 2008, to the CCDC Board on March 26, 2008, and is scheduled to be presented to the Redevelopment Agency on May 20, 2008.

The Proposed Fiscal Year 2009 Budget consists of three components: project activities inclusive of the use of low and moderate income housing funds, long-term debt, and CCDC's administrative budget, totaling \$235.5 million, funded primarily from tax increments, proceeds from tax allocation bonds, and the issuance of parking bonds. The Proposed Budget contains a total of \$133.9 million for projects, \$27.4 million for affordable housing, \$45.6 million for debt service, and \$28.6 million for payment to tax sharing entities, CCDC administration, and City services.

CCDC has a seven member Board of Directors appointed by City Council to manage the Corporation and its professional staff.

TABLE 4.1 CENTRE CITY DEVELOPMENT CORPORATION PROPOSED BUDGET SUMMARY			
	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
Positions	55.20	56.50	1.30
Personnel Expense	\$ 6,834,500	\$ 7,178,000	\$ 343,500
Non-Personnel Expense	\$ 210,701,500	\$ 228,322,000	\$ 17,620,500
TOTAL	\$ 217,536,000	\$ 235,500,000	\$ 17,964,000

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**TABLE 4.2
CENTRE CITY DEVELOPMENT CORPORATION EXPENDITURES**

	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 4,747,500	\$ 4,960,000	\$ 212,500
Fringe Benefits	2,087,000	2,218,000	131,000
SUBTOTAL PERSONNEL	\$ 6,834,500	\$ 7,178,000	\$ 343,500
NON-PERSONNEL			
Other Government & Administrative Expenses	\$ 2,521,500	\$ 2,698,500	\$ 177,000
Project Budgets	171,559,000	179,999,500	8,440,500
Debt Service Appropriation	36,621,000	45,624,000	9,003,000
SUBTOTAL NON-PERSONNEL	\$ 210,701,500	\$ 228,322,000	\$ 17,620,500
TOTAL	\$ 217,536,000	\$ 235,500,000	\$ 17,964,000

**TABLE 4.3
CENTRE CITY DEVELOPMENT CORPORATION REIMBURSEMENTS**

	FY 2008 Budget Reimbursements	FY 2009 Proposed Budget Reimbursements	FY 2008-2009 Change
Departments			
Neighborhood Code Compliance	\$ 220,000	\$ 230,000	\$ 10,000
City Auditor and Comptroller Office	260,000	270,000	10,000
City Attorney	260,000	250,000	(10,000)
City Treasurer	220,000	290,000	70,000
City Planning and Community Investments	125,000	40,000	(85,000)
City Redevelopment Dept.	120,000	120,000	-
Homeless Coordinator	60,000	60,000	-
Purchasing - EEO	15,000	15,000	-
General Govt. Services	170,000	300,000	130,000
Downtown Econ. Dev. Spec.	150,000	150,000	-
Other/Misc./Contingency	100,000	175,000	75,000
TOTAL	\$ 1,700,000	\$ 1,900,000	\$ 200,000

San Diego Housing Commission

Mission Statement

To provide quality housing opportunities in order to improve the lives of those in need.

The San Diego Housing Commission (SDHC) is a public agency working to expand affordable housing opportunities in the City of San Diego. Each year the agency helps more than 80,000 lower-income individuals to access affordable housing through its award-winning programs. SDHC's programs benefit the City's economy and revitalize its neighborhoods through three major areas of work: housing assistance, housing finance partnerships, and housing policy advice.

The agency's housing assistance programs provide a variety of services that includes helping more than 13,780 families pay rent in private housing, owning and managing nearly 1,800 apartments, and providing residents with academic support and career development tools. SDHC's housing finance partnerships have helped nonprofit and for-profit developers create nearly 25,000 for-sale and rental homes, of which 12,000 are deemed affordable. Agency programs have also enabled 4,300 families to buy their first homes and 10,000 to repair older homes. Finally, the agency helps to shape the City's affordable housing programs by providing policy advice to the San Diego City Council as well as initiating, monitoring, or implementing municipal ordinances that advance affordable housing production and protect existing stock. Examples of municipal ordinances worked on by SDHC include inclusionary zoning, density bonus, single room occupancy preservation, and condo conversion protections.

The Proposed Fiscal Year 2009 Activity-Based Budget will enable the Agency to: assist 13,780 households to rent private housing, subsidize approximately 85 first-time homebuyers, produce 720 additional rental units, oversee physical improvements to 1,556 homes and apartments, manage 1,800 units of Housing Commission-owned housing, and provide special purpose housing opportunities for 640 persons.

The Fiscal Year 2009 Proposed Budget for SDHC will be presented to the Housing Authority on May 20, 2008. Budget data was not available from San Diego Housing Commission in time for publication, but fund allocations are anticipated to be included with the Fiscal Year 2009 Annual Budget.

San Diego Data Processing Corporation

Mission Statement

To support, improve, build, and maintain client's information technology needs through an open and honest partnership.

San Diego Data Processing Corporation (SDDPC) was formed in 1979 by the City of San Diego to realize the benefit of privatizing its information technology (IT) functions. SDDPC continues to provide those benefits, while also supporting the City with professional quality IT services.

SDDPC is at the forefront of providing IT and telecommunications services to the departments of the City of San Diego, as well as other municipal and nonprofit organizations. SDDPC provides state-of-the-art hardware, software, and networks to give our customers immediate access to the information they need. These programs and services have been nationally recognized for innovation and efficiency.

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The Fiscal Year 2009 Budget for SDDPC was developed based on the Fiscal Year 2009 proposed IT budgets of City departments and other (non-City) customers. SDDPC has its own Board of Directors, appointed by the Mayor, and the Fiscal Year 2009 Proposed Budget was approved by the SDDPC Board of Directors on March 27, 2008.

SDDPC has been acknowledged by the Gartner Group, an independent analyst of IT customer service, as an industry leader and trendsetter in customer satisfaction throughout the country. This level of achievement puts SDDPC in the top 10 percent of IT providers in the United States. Areas that were reviewed included support responsiveness, availability and expertise, system performance, functionality and quality, cost, and impact of IT services and support.

As a partner of the City, SDDPC is committed to delivering quality, efficient, and cost-effective IT services so that the residents of San Diego receive quality public safety, library, parks and recreation, and related services that depend on the performance of IT services.

TABLE 6.1 SAN DIEGO DATA PROCESSING CORPORATION BUDGET SUMMARY			
	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
Positions	249.00	258.00	9.00
Personnel Expense	\$ 25,429,000	\$ 26,799,000	\$ 1,370,000
Non-Personnel Expense	\$ 20,335,000	\$ 19,352,000	\$ (983,000)
TOTAL	\$ 45,764,000	\$ 46,151,000	\$ 387,000

TABLE 6.2 SAN DIEGO DATA PROCESSING CORPORATION EXPENDITURES			
	FY 2008 Budget	FY 2009 Proposed Budget	FY 2008-2009 Change
PERSONNEL			
Salaries & Wages	\$ 19,143,000	\$ 20,233,000	\$ 1,090,000
Fringe Benefits	6,286,000	6,566,000	280,000
SUBTOTAL PERSONNEL	\$ 25,429,000	\$ 26,799,000	\$ 1,370,000
NON-PERSONNEL			
Supplies & Services	\$ 3,994,000	\$ 3,031,000	\$ (963,000)
Information Technologies	5,249,000	4,897,000	(352,000)
Energy/Utilities	456,000	479,000	23,000
Equipment Outlay	10,636,000	10,945,000	309,000
SUBTOTAL NON-PERSONNEL	\$ 20,335,000	\$ 19,352,000	\$ (983,000)
TOTAL	\$ 45,764,000	\$ 46,151,000	\$ 387,000

**TABLE 6.3
SAN DIEGO DATA PROCESSING CORPORATION
SIGNIFICANT BUDGET ADJUSTMENTS***

Significant Budget Adjustments	Position	Expenses
Salaries and Benefits Adjustments	9.00	\$ 1,370,000
This increase is due to higher base salaries for replacement staff, as well as rising health care premiums.		
Non-Personnel Changes		
Adjustment reflects a reduction in planned capital additions for Fiscal Year 2009.	-	\$ (187,000)
Adjustment is primarily the result of lower costs for Data Circuits and Lines.	-	\$ (353,000)
Adjustment is primarily due to a reduction in the cost of premiums for Property and Equipment Insurance.	-	\$ (187,000)
Adjustment is primarily the result of lower consulting and temporary service fees.	-	\$ (783,000)
Adjustment is primarily the result of increased equipment/maintenance costs associated with Data Center Operations and Network Security.	-	\$ 272,000
Adjustment is primarily the result of increased software maintenance costs associated with Security Requirements for the Data Network.	-	\$ 225,000
Adjustment is primarily the result of higher mileage and operating supplies expenses.	-	\$ 30,000
TOTAL	9.00	\$ 387,000

* The Fiscal Year 2009 Proposed Budget reflects SDDPC operating at a deficit of \$600,000 for the year. In response, SDDPC will utilize Fiscal Year 2008 net revenues versus expenses as the funding source. In addition, the OneSD Project expense of \$2.7 million in Fiscal Year 2009 will be funded from net revenues generated in prior years.

